

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement is entered into between and among **DAVID PAGE**, an incompetent person, by and through his Guardian ad Litem **LYDIA SMITH** (hereinafter "Releasor/Plaintiff/Parties"), and the **COUNTY OF LOS ANGELES**, a municipal corporation (hereinafter "Releasee/Defendant/COUNTY").

RECITALS

A. On or about August 10, 2006, Plaintiff caused to be filed a Complaint (hereinafter "Complaint") against Defendant in the Superior Court, State of California, County of Los Angeles Case BC 356842 which Complaint alleges certain negligent acts and/or omissions by Defendant.

B. The parties desire to enter into a settlement in order to provide for certain payments in full settlement and discharge of all claims which are or might have been the subject of the Complaints and other potential causes of action, upon the terms and conditions set forth in this Settlement Agreement and Release.

NOW, THEREFORE, it is hereby agreed as follows:

1. Full Release of All Liability:

For and in full consideration of the County's agreement to make payments, benefits and other conditions set forth in Exhibit "A" (incorporated herein as though fully set forth), and as approved by the Court, Releasor, individually, and on behalf of himself and his heirs, agents, parents, executors, administrators, successors in interest and assigns, release, acquit and forever discharge and/or hold harmless, indemnify and defend the County of Los Angeles ("COUNTY") and their past, present and future officers, directors, attorneys, physicians, nurses, claims administrators, adjusters, investigators, insurers of the above Releasees and all the respective

agents, servants, representatives, employees, subsidiaries, affiliates, partners, predecessors and successors in interest, assigns, and insurers(hereinafter "Releasees") of and from any and all past, present, or future claims, demands, obligations, actions, causes of action (including any wrongful death claims, rights, compensatory or punitive damages, costs, loss of services, comfort, and society, consortium, expenses and compensations of any nature whatsoever, which the Releasor or any other party to this litigation now has or which may hereinafter accrue out of, or which are the subject of the Complaints (and related pleadings) including, but not limited to, any and all known and unknown claims for bodily injuries, personal injuries, and wrongful death to or of the Plaintiff and the consequences thereof which may have resulted, or which may result in the future, from the alleged negligent acts and/or omissions of the Releasees.

It is further understood and agreed that all rights under Section 1542 of the Civil Code of California and any similar law of any state or territory of the United States are hereby EXPRESSLY WAIVED.

SAID SECTION READS AS FOLLOWS:

"1542. GENERAL RELEASE; EXTENT. A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

Releasor hereby declares and represent that the injuries sustained are or may be permanent and/or progressive and that recovery therefrom is uncertain and indefinite and in making this Release, it is understood and agreed, that Releasor relies wholly upon her judgment, belief and knowledge of the nature and extent and duration of said injuries and liability therefore,

and it is further understood and agreed that this Release is made without reliance upon any statement or representation of the party or parties hereby released or their representatives or by any physician or surgeon by them employed.

Except as otherwise provided herein, Releasor further holds the Releasees harmless from any claim by any other party, including but not limited to heirs, agents, medical insurance carriers, governmental entities, who are interested in or have any claim arising out of the incidents herein, and will hold harmless, defend and indemnify, if requested, the Releasees.

Releasor further declares and represents that no promise, inducement or agreement not herein expressed has been made to Releasor, and that this Release contains the entire agreement between the parties hereto, and that the terms of the Release are contractual and not a mere recital.

2. **Delivery of Dismissal with Prejudice**

Concurrently with the execution of this Settlement Agreement, counsel for Releasor will deliver to counsel for Releasees, an executed Dismissal with Prejudice of the entire civil action described herein. Releasor has authorized his attorney(s) to execute this Dismissal on his behalf and thereby authorize counsel for defendants to file said Dismissal with the Court and enter it as a matter of record.

3. **Final Compromise: No Admissions**

The Releasor agrees and acknowledges that he accepts payment of the sums specified in this Settlement Agreement as a full and complete compromise of matters involving disputed issues: that neither payment of the sums by Releasees, or its assignee, nor the negotiations for this settlement (including all statements, admissions, or communications by the Releasee and its

attorney or representatives) shall be considered admissions by them; and that no past or present wrongdoing on the part of the Releasees shall be implied by such payments or negotiations.

4. **Cooperation of the Parties**

All parties agree to cooperate fully and execute any and all supplementary documents and to take additional actions that may be necessary or appropriate to give full force and effect to the basic terms and intent of this Settlement Agreement and Release.

5. **Advice of Counsel**

In entering into this Settlement Agreement, the Releasor represents that he has relied upon the advice of counsel, who is an attorney of his own choice, and that the terms of this Settlement Agreement have been completely read and explained to him by his attorney and that these terms are fully understood and voluntarily accepted by Releasor.

6. **Warranty of Capacity to Execute Agreements**

Releasor represents and warrants that no other person or entity has or has had any interest in the claims, demands, obligations or causes of action referred to in this Settlement Agreement except as otherwise set forth herein and that they have the sole right and exclusive authority to execute this Settlement Agreement and receive the sums specified in it; and that they have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Settlement Agreement.

7. **Governing Law**

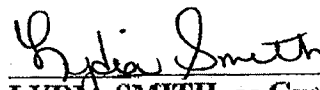
This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of California.

8. Attorneys' Fees and Costs

Except as set forth herein, each party hereto shall bear all attorneys' fees and costs arising from the actions of its counsel in connection with the Complaint, this Settlement Agreement and the matters and documents referred to herein, the filing of a Dismissal of the Complaint and all related matters.

**WE HAVE READ THE FOREGOING SETTLEMENT AGREEMENT AND RELEASE
AND FULLY UNDERSTAND AND ACCEPT IT.**

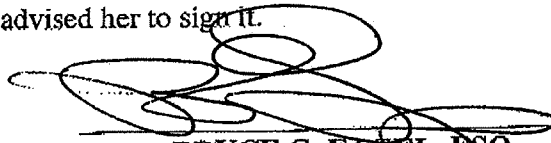
DATED: 9-10-07



**LYDIA SMITH, as Guardian ad Litem for
DAVID PAGE
(Releasor/Plaintiff)**

I, Bruce G. Fagel, attorney for the Releasor/Plaintiff, hereby represent and declare that I have fully explained the foregoing Release to **LYDIA SMITH, as Guardian ad Litem for DAVID PAGE** and she has acknowledged to me that she understands and accepts said Release and the legal effect thereof and I have advised her to sign it.

DATED: 9-10-07



**BRUCE G. FAGEL, ESQ.
Attorney for Plaintiff**

EXHIBIT "A"

A. Payments

The Defendant, County of Los Angeles, has agreed to provide David Page with the periodic payments as outlined below. The County may elect to purchase a structured settlement annuity from New York Life Insurance Company rated A++15, as determined by A.M. Best's Company. The present value of these periodic payments is \$3,656,704.00:

(1) Payments due at the time of settlement as follows:

Up Front Cash: \$1,593,296 made payable to David Page by and through his guardian ad litem Lydia Smith and The Law Offices of Bruce G. Fagel.

Up Front Cash: \$250,000 made payable to Lydia Smith and The Law Offices of Bruce G. Fagel

(2) Periodic payments, made according to the following schedule:

Periodic Payments Payable to:
The Trustee of the David Page Special Needs Trust

Monthly Lifetime Income:

Commencing 11/01/2007, \$31,000 payable every month for life, compounding at the rate of 3% per annum. Compounding benefits will begin on 11/1/08.

All sums and periodic payments set forth in the section entitled Payments constitute damages on account of personal injuries or sickness, arising from an occurrence, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended.

Releasor(s) agree, however, that they have not received or relied upon any advice or representation as to the tax effect of this Agreement. In accordance therewith, Releasor(s) agree to hold harmless the County from any losses to Releasor(s) incurred including any loss by reason of a determination by the Internal Revenue Service or other tax authority that said settlement monies do not constitute, in whole or part, damages on account of personal injury or sickness.

B. Qualified Assignment

The Parties hereto acknowledge and agree that the County will make a "qualified assignment" within the meaning of Section 130©), of the Internal Revenue Code of 1986, as amended, to New YorkLife Insurance and Annuity Corporation (hereinafter referred to as "Assignee(s)") of the County's liability to make the periodic payments described in paragraph A(2) herein.

Such assignment, if made, shall be accepted by the Releasor(s) without right of rejection and shall completely release and discharge the County from such obligations hereunder as are assigned to Assignee(s).

The obligation assumed by Assignee(s) with respect to any required payment shall be discharged upon the mailing on or before the due date of a valid check in the amount specified to the address of record.

The Releasor(s) hereto expressly understand and agree that upon the qualified assignment being made by the County to Assignee(s) as authorized by this agreement, all of the duties and responsibilities to make the periodic payments otherwise imposed upon the County by this agreement shall instead be binding upon Assignee(s), and the County shall be released from all obligations to make said periodic payments, and Assignee(s) shall at all times remain directly and solely responsible for and shall receive credit for all such payments made to Releasor(s). It is further understood and agreed that, upon such a qualified assignment, Assignee(s) assume all of the duties and responsibilities of the County to make the periodic payments.

The Releasor(s) agree that:

(1) Periodic payments under this Settlement Agreement from Assignee(s) cannot be accelerated, deferred, increased or decreased by the Releasor(s).

(2) The Assignee's obligation for payment of the periodic payments shall be no greater than the obligation of the person or entity originally liable (whether by suit or agreement) for payment and from whom the obligation as assigned.

C. Releasor's Right to Payments

The County and/or Assignee(s) shall not segregate or set aside any of its assets to fund the payments to Releasor(s) required herein. Payments hereunder cannot be accelerated, deferred, increased or increased by the Releasor(s) and/or Assignee(s) and no part of the payment(s) called for herein or any assets of the County and/or Assignee(s) is to be subject to execution of any legal process for any obligation in any manner. Furthermore, the Releasor(s) shall not have the power to sell or mortgage or encumber the same, or any part thereof, anticipate the same, or any part thereof, by assignment or otherwise.

D. Right to Purchase an Annuity

Releasor(s) agree that the County and/or Assignee(s) shall have the right to fund its liability to make periodic payments by purchasing a "qualified funding asset," within the meaning of Section 130(d) of the Code, in the form of an annuity policy from New York Life Insurance Company (hereinafter referred to as "Annuity Carrier(s)").

The County and/or its Assignee(s) shall be the owner of the annuity policy or policies, and shall have all rights of ownership.

The County and/or its Assignee(s) may have Annuity carrier(s) mail payments directly to the Releasor(s). The Releasor(s) shall be responsible for maintaining the currency of the proper mailing address and mortality information to Assignee(s).

E. Releasor's Beneficiary

Any payments to be made after the death of the Releasor(s) pursuant to the terms of this Settlement Agreement and Release shall be made to such person or entity as shall be designated in writing at the time of settlement by said Releasor(s) to the County or the County's Assignee(s). If no person or said entity is so designated by the Releasor(s), or if the person designated is not living at the time of the Releasor's death, such payments shall be made to the estate of the Releasor(s).

F. Lien Satisfaction

The County of Los Angeles agrees to waive any and all claims they may have for all past medical expenses. The County of Los Angeles also agrees that they shall hold Releasor(s) harmless from any and all Medi-Cal liens arising directly from the subject matter of this litigation and currently existing as of the date of this Settlement Agreement and reserve the right to negotiate and satisfy said liens on behalf of themselves and Releasor(s). Releasor(s) shall cooperate fully with the County of Los Angeles in any negotiation of said liens.

Plaintiff: David Page, by and through his
Guardian ad Litem, Lydia Smith

By: Lydia Smith

Lydia Smith

Title: 9-10-07

Plaintiff's Attorney:

By: Bruce G. Fagel, Esq.

Bruce G. Fagel, Esq.

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement is entered into between and among LYDIA SMITH (hereinafter "Releasor/Party"), and the COUNTY OF LOS ANGELES, a municipal corporation (hereinafter "Releasee/Defendant/COUNTY").

RECITALS

A. On or about August 10, 2006, Plaintiff David Page caused to be filed a Complaint (hereinafter "Complaint") against Defendant in the Superior Court, State of California, County of Los Angeles Case BC 356842 which Complaint alleges certain negligent acts and/or omissions by Defendant.

B. The parties desire to enter into a settlement in order to provide for certain payments in full settlement and discharge of all claims including a future wrongful death claim which are or might have been the subject of the Complaints and other potential causes of action, upon the terms and conditions set forth in this Settlement Agreement and Release.

NOW, THEREFORE, it is hereby agreed as follows:

1. Full Release of All Liability:

For and in full consideration of the County's agreement to make payments in the amount of \$250,000, and as approved by the Court, Releasor, individually, and on behalf of herself and her heirs, agents, parents, executors, administrators, successors in interest and assigns, release, acquit and forever discharge and/or hold harmless, indemnify and defend the County of Los Angeles ("COUNTY") and their past, present and future officers, directors, attorneys, physicians, nurses, claims administrators, adjusters, investigators, insurers of the above Releasees and all the respective agents, servants, representatives, employees, subsidiaries, affiliates, partners, predecessors and successors in interest, assigns, and insurers(hereinafter "Releasees") of and

from any and all past, present, or future claims, demands, obligations, actions, causes of action (including any wrongful death claims, rights, compensatory or punitive damages, costs, loss of services, comfort, and society, consortium, expenses and compensations of any nature whatsoever, which the Releasor or any other party to this litigation now has or which may hereinafter accrue out of, or which are the subject of the Complaints (and related pleadings) and/or future Complaints, including, but not limited to, any and all known and unknown claims for bodily injuries, personal injuries, and wrongful death to or of the Plaintiff and the consequences thereof which may have resulted, or which may result in the future, from the alleged negligent acts and/or omissions of the Releasees.

It is further understood and agreed that all rights under Section 1542 of the Civil Code of California and any similar law of any state or territory of the United States are hereby EXPRESSLY WAIVED.

SAID SECTION READS AS FOLLOWS:

"1542. GENERAL RELEASE; EXTENT. A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

Releasor hereby declares and represent that the injuries sustained are or may be permanent and/or progressive and that recovery therefrom is uncertain and indefinite and in making this Release, it is understood and agreed, that Releasor relies wholly upon her judgment, belief and knowledge of the nature and extent and duration of said injuries and liability therefore, and it is further understood and agreed that this Release is made without reliance upon any

statement or representation of the party or parties hereby released or their representatives or by any physician or surgeon by them employed.

Except as otherwise provided herein, Releasor further holds the Releasees harmless from any claim by any other party, including but not limited to heirs, agents, medical insurance carriers, governmental entities, who are interested in or have any claim arising out of the incidents herein, and will hold harmless, defend and indemnify, if requested, the Releasees.

Releasor further declares and represents that no promise, inducement or agreement not herein expressed has been made to Releasor, and that this Release contains the entire agreement between the parties hereto, and that the terms of the Release are contractual and not a mere recital.

2. **Final Compromise: No Admissions**

The Releasor agrees and acknowledges that she accepts payment of the sums specified in this Settlement Agreement as a full and complete compromise of matters involving disputed issues and a future wrongful death claim arising out of the claims set forth in BC 356842 : that neither payment of the sums by Releasees, or its assignee, nor the negotiations for this settlement (including all statements, admissions, or communications by the Releasee and its attorney or representatives) shall be considered admissions by them; and that no past or present wrongdoing on the part of the Releasees shall be implied by such payments or negotiations.

3. **Cooperation of the Parties**

All parties agree to cooperate fully and execute any and all supplementary documents and to take additional actions that may be necessary or appropriate to give full force and effect to the basic terms and intent of this Settlement Agreement and Release.

4. **Advice of Counsel**

In entering into this Settlement Agreement, the Releasor represents that she has relied upon the advice of counsel, who is an attorney of her own choice, and that the terms of this Settlement Agreement have been completely read and explained to her by her attorney and that these terms are fully understood and voluntarily accepted by Releasor.

5. **Warranty of Capacity to Execute Agreements**

Releasor represents and warrants that no other person or entity has or has had any interest in the claims, demands, obligations or causes of action referred to in this Settlement Agreement except as otherwise set forth herein and that they have the sole right and exclusive authority to execute this Settlement Agreement and receive the sums specified in it; and that they have not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Settlement Agreement.

6. **Governing Law**

This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of California.

7. Attorneys' Fees and Costs

Except as set forth herein, each party hereto shall bear all attorneys' fees and costs arising from the actions of its counsel in connection with the Complaint, future wrongful death claim, this Settlement Agreement and the matters and documents referred to herein, the filing of a Dismissal of the Complaint and all related matters.

**WE HAVE READ THE FOREGOING SETTLEMENT AGREEMENT AND RELEASE
AND FULLY UNDERSTAND AND ACCEPT IT.**

DATED: 9-10-07


LYDIA SMITH
(Releasor/Plaintiff)

I, Bruce G. Fagel, attorney for the Releasor/Plaintiff, hereby represent and declare that I have fully explained the foregoing Release to **LYDIA SMITH** and she has acknowledged to me that she understands and accepts said Release and the legal effect thereof and I have advised her to sign it.

DATED: 10 Sept 07


BRUCE G. FAGEL, ESQ.
Attorney for Plaintiff